



IDAHO WATER RESOURCE BOARD

MINUTES OF SPECIAL TELEPHONIC MEETING

MEETING NO. 18-05 OF THE
IDAHO WATER RESOURCE BOARD

November 3rd, 2005, 8:30 a.m. MDT

Idaho Department of Water Resources
Conference Room A, 322 East Front Street, Boise, Idaho

Dirk Kempthorne
Governor

Jerry R. Rigby
Chairman
Rexburg
At Large

Terry T. Uhling
Vice Chairman
Boise
District 2

Dick Wyatt
Secretary
Lewiston
District 1

Leonard Beck
Burley
District 3

Bob Graham
Bonners Ferry
At Large

L. Claude Storer
Idaho Falls
District 4

Gary M. Chamberlain
Challis
At Large

Lawrence 'Vic' Armacost
New Meadows
At Large

Meeting No. 18-05 of the Idaho Water Resource Board was called to order via teleconference by Chairman Rigby
At the Idaho Water Center in Boise Idaho
(One Recording Tape)

Agenda Item No. 1, Roll Call

Board Members Attending

Jerry Rigby, Chairman	Bob Graham
Leonard Beck	Dick Wyatt – Secretary
Gary Chamberlain	Vic Armacost

Board Members Absent

Terry Uhling	Claude Storer
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Department of Water Resources Staff Present

Hal Anderson, Administrator	Crystal Calais, Admin. Asst. II
Brian Patton, WR Engineer	

Guests

Rick Skinner, Attorney	Jim Wrigley, Wells Fargo
Steve Miliman, Tamarack Counsel	Tammy Zokan, N.L.W.S.D. Counsel
Bill Eddy, North Lake Water & Sewer District	

Agenda Item No. 2, Public Comment

There was no public comment made.

Agenda Item No. 3, North Lake Water & Sewer District, Revenue Bond

Mr. Anderson gave a brief introduction and summary of the history of the Board's involvement and action regarding Tamarack Resort and the North Lake Water & Sewer District (NLWSD). He introduced Mr. Rick Skinner to go over the proposed parameters resolution to complete the revenue bond transaction.

Mr. Skinner explained the purpose of the proposed resolution, which is to approve a loan to NLWSD to purchase the potable water system from Tamarack Resort and to make additional improvements. The resolution will authorize the issuance of the Board's Water Resource Development Revenue Bond, Series 2005, approve the necessary documents including a private placement memorandum, a Trust Indenture, a Loan Agreement and others.

Mr. Skinner summarized the Resolution explaining that it is a parameters resolution with clarification that the bonds were being approved in an amount not to exceed \$9,500,000. It also documents that the issue meets certain standards, such as, being a qualified water project and the Bonds are issued in conformity with the Board's guidelines and other details including trustee appointment and Bond delivery.

Mr. Wrigley spoke about the financial aspects of the Resolution and Bonds. Because the Bonds are being offered as Private Placement, they are offered to more experienced investors who are capable of doing their own research. They are being evaluated by three very active funds. Mr. Wrigley, along with Mr. Miliman, counsel for Tamarack Resort, will be spending the next several days answering questions and providing more information to the analysts. The overall amount is still fluid, but currently it is about \$9,315,000.

The main goal of the financing is to retire the interim financing of about \$8,200,000 put in place by an L.I.D. that is payable on December 4, 2005.

Mr. Armacost asked about the reasons behind the Private Placement decision.

Mr. Wrigley explained that Board counsel considered private placement more secure for the Board that would help protect against any investors if not being fully informed if there is a future problem.

Mr. Miliman briefed the Board on the purpose of the Bond as it pertains to the Tamarack development. Mr. Miliman explained that the purchase of the water system by the NLWSD, as written in a detailed purchase and sale agreement, led to the interim financing and the purchase of a portion of the system, which was completed. There is a \$451,000 hold back amount, which will be disbursed as some of the final elements of the system are completed over the next several months. The water system is currently operational and being operated by the District and there are plans for extensive sewer system expansion throughout the District, specifically in the developments to the North of the Tamarack resort and Cascade Reservoir.

Mr. Graham asked if the District would take over all of the water delivery and sewer systems for the Tamarack Resort.

Mr. Miliman responded stating that the District would oversee the entire potable water system. The non-potable system, irrigation and snowmaking are segregated and separate systems not subject to this purchase. The sewer system is already operational.

No other questions.

Motion: Mr. Chamberlain moved to approve the proposed resolution.

Mr. Armacost seconded the motion.

Roll Call vote: Mr. Wyatt, Aye; Mr. Armacost, Aye; Mr. Beck, Aye; Mr. Chamberlain, Aye; Mr. Graham, Aye; Chairman Rigby, Aye; Mr. Storer and Mr. Uhling were absent. 6 in favor, 2 absent; **Motion passed.**

Agenda Item No. 4, Other items

No other items.

Mr. Graham moved to adjourn the meeting.

Mr. Armacost seconded.

Meeting adjourned.

Dated this 3rd day of November 2005.

D. Richard Wyatt, Secretary

Crystal Calais, Administrative Assistant II

Board Actions

1. Motion: Mr. Chamberlain moved to approve the proposed resolution, (authorizing various matters in connection with the Water Resource Development Revenue Bonds for the North Lake Water & Sewer District in the principal amount of \$9,500,000 as well as the sale and other related matters.)

Mr. Armacost seconded the motion.

Roll Call vote: Mr. Wyatt, Aye; Mr. Armacost, Aye; Mr. Beck, Aye; Mr. Chamberlain, Aye; Mr. Graham, Aye; Chairman Rigby, Aye; Mr. Storer and Mr. Uhling were absent. 6 in favor, 2 absent; **Motion passed.**